

MAYOR AND COUNCIL STRATEGIC FOCUS AREA SUBCOMMITTEE
RIO NUEVO/DOWNTOWN, ARTS, CULTURE AND HISTORY
ADMINISTRATIVE ACTION REPORT AND SUMMARY
Thursday, January 24, 2008

Vice Mayor Trasoff called the meeting to order at 5:09 p.m. in the Mayor & Council Chambers of City Hall, 255 W. Alameda, 1st Floor, Tucson, Arizona.

COUNCIL MEMBERS PRESENT: Vice Mayor Nina Trasoff, Subcommittee Chair, Ward 6
Council Member Regina Romero, Ward 1
Council Member Steve Leal, Ward 5

STAFF LIAISON: Greg Shelko, Downtown Development Director

STAFF PRESENT: Emily Nothing, Community Director
Jim Glock, Transportation Director

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<p>1. Call to Order</p> <p>Meeting was called to order by Vice Mayor Trasoff at 5:09 p.m.</p>	
<p>2. Call to the Audience</p> <p>Brian Flagg advocated a 20% affordable and 20% workforce housing goal, the need for low income/affordable housing, support for the proposed skate park and concern for gentrification of downtown neighborhoods/barrios.</p> <p>Jon Miles spoke in support of a 20% affordable and 20% workforce housing goal and a property tax protection plan.</p> <p>Michael Toney spoke about legalities of the TIF extension and using General Obligation bonds in the future.</p> <p>Father Bob Carney advocated economic and social wellbeing for people, homes for everyone, maintaining stability in downtown neighborhoods and barrios and protecting the poor community.</p> <p>Dan Garcia spoke about both the good and bad in urban renewal and he hopes that the history of Rio Nuevo will remembered as a good thing that happened to the community and citizens, and not just focus on the developers.</p> <p>Angie Quiroz said all they hear about is affluent housing downtown and nothing about the families that have lived in the barrios for generations. She supports affordable housing for low-income residents and is concerned about the 22nd Street project's impact on residents.</p>	

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<p>Barbie Urias said PCIC was instrumental in getting Rio Nuevo passed by the voters because they believed it was for everyone. She's seen a couple of benefits downtown like the reopening of the Fox Theatre and seeing people from different economic backgrounds coming together for events.</p> <p>Charlie Salaz spoke in support affordable housing, making this a good community for the poor and preventing property taxes from going up. He doesn't want families displaced like when they built the Tucson Convention Center.</p>	
<p>4. Affordable and Workforce Housing Presentation and Discussion</p> <p>Ms. Nottingham presented an overall briefing on affordable housing in Downtown Tucson. There are three types of housing: low-cost/ entry level housing, affordable housing and workforce housing. Only 40% of Tucson residents meet the income to qualify for affordable housing. Affordable housing is a community-wide issue. The disparity between housing price and earnings is growing and the gap widening. The income needed to pay rent on a 1-bedroom \$571/month apartment is \$10.96/hour and \$14.35/hour for a 2-bedroom \$746/month apartment.</p> <p>In 2002 the SMART HOUSING goals established a vision:</p> <ul style="list-style-type: none"> - Safe, mixed income neighborhoods, accessible to services, responsive to the environment and Tucson design; - an active and livable downtown; - housing choices to attract new residents; - housing choices that protect existing residents; - Jumpstart with 2,000 housing units; and - 1-3% (16,000-18,000) of Tucsonans living in the downtown core <p>In 2004 an Affordable Housing Plan was developed. It called for protecting and improving the quality of life for existing low-income residents, increase affordable housing product in downtown, improving marketing and technical assistance and identifying and committing new resources. Numeric production goals were established to maintain 10% of housing stock as affordable and produce 10-30 new affordable units each year for a total of 200 new units for a total of 2,000.</p> <p>Affordable Housing Programs were developed which included below market interest rate loans for home repairs; a Rio Nuevo home repair grant program; a down payment assistance program (up to \$20,000 if buying</p>	

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<p>downtown); and a property tax relief program.</p> <p>Project based strategies were developed for agreements for city-owned land, city and/or non-profit development of affordable housing and in-lieu development agreements.</p> <p>From 2004 to 2007, 34 affordable new or substantial renovations were completed; 114 affordable new units are planned or underway; 115 homes received home repair assistance; 16 downtown assistance payments were provided; and 124 households received property tax assistance.</p> <p>However, there are challenges such as market fluctuations, construction costs, financing; development of unique products – design, density and context; and pre-development and development criteria for in-fill (historic, zoning, adaptive reuse).</p> <p>The next steps include continuing strategies and goals set forth in the 2004 Affordable Housing for Downtown Tucson Plan; maintaining and enhancing existing programs; discussing changes to the property tax assistance program (neighborhood review is underway) and pursuing site-based partnerships.</p> <p>The City of Tucson’s Metropolitan Housing Commission recommends:</p> <ul style="list-style-type: none"> - Expanding and clarifying downtown area boundaries to include not only the downtown core, but the 15 surrounding neighborhoods; - Approving a “shepherd” approach for moving downtown projects along by creating a process coordinator to assist/oversee downtown projects going though in a more timely fashion; and - Implementing an employer-assisted housing program for its employees in the downtown and encourage Pima County and other major downtown employers to implement the same. <p>The subcommittee directed staff to:</p> <ul style="list-style-type: none"> - Meet with the members in the audience to see if there is something more that can be done for affordable housing in downtown Tucson. - Identifying the population and families at risk. - Figuring out how many of the 8,467 total housing units downtown are affordable housing and is affordability being maintained as new housing occurs and does it meet the 10% criteria for affordable housing? - Find a model for property taxes that address the needs of long term elderly residents so that new housing is development doesn’t adversely affect the long-term elderly residents. 	<p><u>DIRECTOR OF COMMUNITY SERVICES</u> is responsible</p>
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<ul style="list-style-type: none"> - Explore other ways of helping long term elderly residents and low income/at risk families. - Compare the average cost in the metropolitan area vs. the downtown area. - Providing a copy of the Feb. 2004 Affordable Housing in Downtown Tucson report to Brian Flagg of Casa Maria. 	
<p>3. Review Status of Downtown Projects</p> <p>A report on downtown projects was distributed ahead of the meeting. Two projects were discussed at this meeting.</p> <p>Plaza San Agustin - Council Member Romero commented that she sees the site across from the Cathedral as being iconic and believes it could be marketed as a gateway from the southside. Currently, the site is only being used for parking and it could be turned into a public space while at the same incorporating Tucson's history and expanding on something we already have (the Cathedral). She said there's a lot of buy-in for this project, but how do we make it happen?</p> <p>Mr. Shelko responded that he has talked with the parties interested in moving the project forward; however, a developer has not come forward to advance the project.</p> <p>Vice Mayor Trasoff said property is in the heart of downtown and what happens there is going to set a tone. She affirmed the City's commitment to providing technical and appropriate financial assistance when developer steps up, and expects the site will be developed cohesively and sensitively.</p> <p>Council Member Leal spoke about making downtown a destination, creating a sense of place and acknowledging that our culture and heritage is what this is about. Business people and neighborhoods have been apprehensive about the westside because they believe people won't stay in the rest of downtown after they visited and that it hurts the eastside of downtown. Plaza San Agustin would start to build a critical mass on the eastside of downtown along with the Tucson Pima Art Council's proposal, which is looking at the Masonic Temple, Carnegie Library, Cursillo, etc.</p> <p>Mr. Shelko said one thing the City and Tucson Downtown Partnership can do is continue to direct interested developers looking for opportunities downtown to the site and promote the site.</p> <p>Downtown Links</p>	

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Mr. Glock presented a potential modification to the Downtown Links Project. An alignment previously approved by the Downtown Links Citizens Advisory Committee (CAC) called for the Barraza-Aviation alignment to go up 7th Avenue and link up with 6th Street and then run under the railroad. However, Union Pacific Railroad has presented three challenges:

- 1) a new rule by the railroad regarding the length and configuration of the shoefly, or railroad detour you have to construct when building underpasses, would have gone through the Citizens Transfer & Storage warehouse, and impact the Stone Avenue Underpass;
- 2) the railroad didn't want the alignment of main line changed; and
- 3) the railroad wanted to ensure the ability to construct a third track over the new underpass in the future.

The Downtown Links CAC worked so hard to find an alignment that respected the Citizens and Steinfeld warehouses. The new alternative doesn't impact the Steinfeld Warehouse, Citizen's Warehouse, Stone Avenue Underpass, and minimizes impacts to as many contributing structures in the Warehouse Arts District as possible. It swings northward slightly and places the underpass to the northwest and away from the Steinfeld Warehouse, and then connects to 6th Street at the USA Building.

Vice Mayor Trasoff stated they don't want to take anyone's property, but they also don't want to destroy some historic buildings/structures.

Council Member Romero asked if staff was working with neighborhood residents and business owners, what was being done about the noise level and did this happen because the railroad didn't inspect the first alignment? Mr. Glock responded that the railroad accepted the original alignment but with conditions that would have devastating consequences for the historic district. The City is trying to save the historic buildings/structures and they intend to work with the neighborhood on mitigating noise and developing a plan for the area.

Council Member Leal said the city committed not having Aviation Corridor go north of 6th Street; however, there's a ripple effect when you have projects like this. Re-zonings tend erode historic neighborhoods and the historicity of the neighborhoods. Maybe re-zonings should be stopped and the edge made really hard. Also he asked if instead of making the underpass a separation could it provide connectivity with a park or sculpture garden over it? As an example, the airport wash by Wakefield Jr. High School was covered with reinforced with steel and is now used for

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<p>parking.</p> <p>Mr. Glock responded the opportunity to deck a portion of the underpass is certainly there and those types of mitigation options can be considered as these types of investments are made.</p> <p>Council Member Leal said their goal is protect the neighborhood from loosing of integrity in the future and recapturing artist spaces that have been lost in the area. This can be done by shifting the warehouse theme between 5th and 6th street while protecting the area north of 6th.</p> <p>Vice Mayor Trasoff said they have an opportunity to set the vision for the area while meeting a transportation need and protecting the historic neighborhood and warehouse district.</p> <p>Council Member Leal said Transportation has created trust by being sensitive to the Dunbar Springs Neighborhood. It changed Main to two-lanes instead of four and added street parking to Stone to help commercial zoning. Part of the conversation can be that they are going to protect them.</p> <p>Council Member Romero asked staff to report back on what the Downtown Links CAC's response is to the new alignment.</p> <p>Council Member Romero also said the developer for the One West project had contacted her about some ideas about affordable housing and she asked staff to contact them.</p>	<p><u>TRANSPORTATION</u> <u>DIRECTOR</u> is responsible <u>COMMUNITY</u> <u>SERVICES</u> <u>DIRECTOR</u> is responsible</p>
<p>4. Adjournment</p> <p>Chair Trasoff adjourned the meeting at 7:06 p.m.</p>	